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E.O. 12958: DECL: 10/11/2016
TAGS: <u>EAIR ETRD BEXP PREL PTER MOPS SA</u>
SUBJECT: PRESIDENTIAL ADVOCACY LETTER DELIVERED TO KING ABDULLAH

Classified By: U.S. Ambassador James Oberwetter; reasons: 1.4 (b), (d), and (e).

11. (C) Summary: On September 19, Department of Commerce Assistant Secretary for Trade Promotion, Israel Hernandez, delivered the President's letter advocating for two U.S. companies, Boeing and General Electric (GE), bid for the upgrade of Saudi Arabian Airline (Saudia) and the Royal fleet, to King Abdullah in Jeddah. The King was pleased to receive the letter from President Bush and said his own plane was a Boeing 747. The King then instructed the A/S to do whatever it takes to get his Boeing 747 all the latest technology, similar to Air Force One, at the earliest possible time. King Abdullah went on to say that after he gets his plane, the decision he makes for the Saudia upgrade will please the U.S. Government. End Summary

King Receives President's Letter: Responds Positively to Boeing

12. (C) On Tuesday September 19, 2006, Israel Hernandez, Assistant Secretary (A/S) for Trade Promotion and Director General of the U.S. and Foreign Commercial Service at the U.S. Department of Commerce, Ambassador Oberwetter, and Commercial Counselor Nasir Abbasi met with King Abdullah at his office in Jeddah, to deliver the Presidential Advocacy letter. Note: (Saudi Arabian Airlines and the Saudi Royal Fleet are preparing for a major fleet modernization. Boeing has offered to provide up to 43 aircraft, including 787 Dreamliners, 777s and 747-8 Inter-continentals, to Saudi Arabian Airlines and the 13 aircraft, including 787s, 777s and 747s and Boeing Business Jets, to Saudi Royal Fleet, which provides transportation exclusively for the Saudi royal family. In addition to the sale of aircraft, General Electric Aviation is offering to provide engines for Boeing,s aircraft. The procurement is valued at a combined \$12 billion. End Note.

- ¶3. (C) The King received the letter and after briefly reading it, responded by saying his own personal preference is to fly on Boeing. When he was ready to upgrade his current aircraft, he was offered two (2) brand new planes by Airbus. However, he does not want anything to do with Airbus planes.
- 14. (C) He has selected a plane from Saudia,s current fleet a 747 with minimal hours on the engines, as his new plane. This plane will be the new Head of State plane, and the King

has recently approved new layout for the inside, which will be carried out in the United States.

15. (C) The King then turned to the A/S Hernandez and said politely "I am instructing you" to speak to the President and all the concerned authorities to make available all the latest technology for his plane. He wanted to have all the technology that his friend President Bush has on Air Force One. The A/S said he will relay the message to the White House.

King Ties Boeing Deal to Technology for Royal Plane

- 16. (C) The King went on to say that after he receives his plane, then he will convene a meeting with the concerned authorities within the Saudi Government and to evaluate Boeing,s bid. "God Willing" he will make a decision that will "please you very much". The King then thanked the A/S for delivering the letter and asked him to convey his personal greetings to the President.
- 17. (C) Comment: The King was in extremely good spirits that evening, as was evident by the time he spent with the A/S. However, he was quite specific on what he wanted for his personal safety on his plane. His rejection of two brand new Airbus planes for a slightly used Boeing 747 clearly demonstrates his personal preference. He expressly wants his plane to have the technology available on Air Force One. This seemingly will play a positive role in the decision he makes for the upgrade of Saudia and the Royal fleet. OBERWETTER